

Regular Session, 2012

SENATE BILL NO. 43

BY SENATOR GUILLORY

ASSESSORS RETIREMENT. Provides for tax qualification. (7/1/12)

1 AN ACT

2 To enact R.S. 11:1404(F), 1411(E), and 1446, relative to the Assessors' Retirement Fund;
3 to provide for compliance with federal tax qualification requirements; to provide
4 relative to benefits accrued during military service; and to provide for related
5 matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:1404(F), 1411(E), and 1446 are hereby enacted to read as follows:

9 §1404. Amendment of provisions of retirement system

10 * * *

11 **F. Amendments to the retirement system required for the purpose of**
12 **maintaining continued compliance with the Internal Revenue Code and the**
13 **regulations thereunder may be promulgated as rules in accordance with the**
14 **Administrative Procedure Act.**

15 * * *

16 §1411. Creditable service

17 * * *

E. The qualified military service of a member who has been reemployed in accordance with 26 U.S.C. 414(u) shall be treated for vesting and benefit accrual purposes as service completed under Subsection A of this Section if the member timely remits to the system any employee contributions which would have been required but for the member's leave of absence to perform qualified military service in accordance with the terms of federal law.

* * *

§1446. Military survivor benefits

Effective January 1, 2007, if a member dies while on a leave of absence to perform qualified military service as described in 26 U.S.C. 414(u), his beneficiary shall be entitled to any benefit, except benefits that accrued during the period of qualified military service that would have been provided under the plan had the member resumed and then terminated employment due to death, in accordance with 26 U.S.C. 401(a)(37); however, the member's beneficiary shall be entitled to benefits that accrued during the period of qualified military service if the beneficiary timely remits to the system any employee contributions which would have been required but for the member's leave of absence to perform qualified military service in accordance with the terms of federal law and R.S. 11:1411.

Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2012, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

Guillory (SB 43)

Present law provides that members of the Assessors' Retirement Fund may accrue service credit through actual service subject to certain requirements. Proposed law provides that a member who is reemployed after military service shall receive service credit for the period of his military service if he remits employee contributions which would have been required but for his military service.

Present law provides for the payment of benefits to a designated beneficiary and provides

conditions and restrictions. Proposed law, effective Jan. 1, 2007, provides that if a member dies during leave for military service, his beneficiary is entitled to any benefit, except benefits that accrued during military service, that would have been provided had the member resumed employment and then died; however, if the beneficiary pays the employee contributions for the period of military service, the beneficiary is also entitled to benefits that accrued during the period of qualified military service.

Present law provides that the Assessors' Retirement Fund is a tax-qualified governmental plan as provided in the Internal Revenue Code and provides for certain matters as required in order for the system to remain a tax-qualified governmental plan. Proposed law authorizes the fund to make changes necessary to maintain compliance with the Internal Revenue Code by promulgation of rules in accordance with the Administrative Procedure Act.

Effective July 1, 2012.

(Adds R.S. 11:1404(F), 1411(E), and 1446)